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#### DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-601]

Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2010-2011

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: On July 10, 2012, the Department of Commerce ("Department") published the preliminary results of, and intent to rescind in part, the 2010-2011 administrative review of the antidumping duty order on tapered roller bearings ("TRBs") from the People's Republic of China ("PRC"). Further, the Department released the results of its post-preliminary analysis on December 7, 2012. The period of review ("POR") is June 1, 2010, through May 31, 2011.

This review covers five respondents: 1) Changshan Peer Bearing Company, Ltd. ("CPZ/SKF"); 2) Xiang Yang Automobile Bearing Co., Ltd. ("ZXY"); 3) Tianshui Hailin Import and Export Corporation ("Tianshui Hailin"); 4) Haining Automann Parts Co., Ltd. ("Haining Automann"); and 5) Zhejiang Zhaofeng Mechanical and Electronic Co., Ltd. ("Zhejiang Zhaofeng").

We invited interested parties to comment on our *Preliminary Results* and postpreliminary analysis. Based on our analysis of the comments received, we made certain changes

<sup>1</sup> See Tapered Roller Bearings and Parts Thereof, Finished or Unfinished, From the People's Republic of China: Preliminary Results of the 2010–2011 Antidumping Duty Administrative Review, Rescission In Part, and Intent To Rescind in Part, 77 FR 40579 (July 10, 2012) ("Preliminary Results").

<sup>&</sup>lt;sup>2</sup> See Memorandum from Abdelali Elouaradia, Office Director, to Paul Piquado, Assistant Secretary for Import Administration, "Administrative Review of Tapered Roller Bearings and Parts Thereof, Finished or Unfinished from the People's Republic of China: Post-Preliminary Targeted Dumping Analysis Memorandum," dated December 7, 2012.

to our margin calculations for CPZ/SKF. The final weighted-average dumping margins for this review are listed in the "Final Results of Review" section below.

EFFECTIVE DATE: [insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Brandon Farlander or Erin Kearney, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S.

Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0182 or (202) 482-0167, respectively.

# **Background**

On July 10, 2012, the Department published its *Preliminary Results* in the antidumping duty administrative review of TRBs from the PRC. The Timken Company ("Petitioner") submitted post-preliminary surrogate value data on July 30, 2012. Petitioner and CPZ/SKF each submitted case briefs on August 9, 2012, and rebuttal briefs on August 14, 2012. On October 17, 2012, the Department extended the deadline for the final results by 60 days, until January 6, 2013. On October 31, 2012, as explained in the memorandum from the Assistant Secretary for Import Administration, the Department exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 29, through October 30, 2012, which extended the deadline for the final results by two additional days, until January 8, 2013.<sup>3</sup> On December 7, 2012, the Department released its post-preliminary analysis, and Petitioner and CPZ/SKF submitted post-preliminary comments on December 14, 2012, and post-preliminary rebuttal comments on December 18, 2012.

<sup>&</sup>lt;sup>3</sup> See Memorandum to the Record from Paul Piquado, AS for Import Administration, regarding "Tolling of Administrative Deadlines As a Result of the Government Closure During the Recent Hurricane," dated October 31, 2012.

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs as well as the post-preliminary comments and rebuttal comments filed by parties in this review are addressed in the Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, "Issues and Decision Memorandum for the Final Results of the Antidumping Duty Administrative Review of Tapered Roller Bearings and Parts Thereof, Finished and Unfinished from the People's Republic of China," dated concurrently with this notice ("Issues and Decision Memorandum"), which is hereby adopted by this notice. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum follows as an appendix to this notice. Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in the public memorandum, which is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Services System ("IA ACCESS"). Access to IA ACCESS is available to registered users at <a href="http://iaaccess.trade.gov">http://iaaccess.trade.gov</a>, and is available to all parties in the Central Records Unit room 7046 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Web at http://ia.ita.doc.gov/frn. The signed Issues and Decision Memorandum and the electronic version of the Issues and Decision Memorandum are identical in content.

#### Period of Review

The POR is June 1, 2010, through May 31, 2011.

## Scope of the Order

Imports covered by the order are shipments of tapered roller bearings and parts thereof, finished and unfinished, from the PRC; flange, take up cartridge, and hanger units incorporating

tapered roller bearings; and tapered roller housings (except pillow blocks) incorporating tapered rollers, with or without spindles, whether or not for automotive use. These products are currently classifiable under Harmonized Tariff Schedule of the United States ("HTSUS") item numbers 8482.20.00, 8482.91.00.50, 8482.99.15, 8482.99.45, 8483.20.40, 8483.20.80, 8483.30.80, 8483.90.20, 8483.90.30, 8483.90.80, 8708.99.80.15<sup>4</sup> and 8708.99.80.80<sup>5</sup>. Although the HTSUS item numbers are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

#### PRC-Wide Entity

The Department initiated a review of Haining Automann and Zhejiang Zhaofeng but neither company provided a separate rate application. Because these companies do not already have separate rates, they remain part of the PRC-wide entity in this review. Accordingly, the PRC-wide entity is under review for these final results.

In NME proceedings, "'rates' may consist of a single dumping margin applicable to all exporters and producers." Therefore, we assigned the PRC-wide entity a rate of 92.84 percent, the rate most recently assigned to the PRC-wide entity in this proceeding. We have received no information since issuance of the *Preliminary Results* that provides a basis for reconsidering this determination, and will, therefore, continue to apply the rate of 92.84 percent to the PRC-wide entity, including Haining Automann and Zhejiang Zhaofeng.

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<sup>&</sup>lt;sup>4</sup> Effective January 1, 2007, the HTSUS subheading 8708.99.8015 is renumbered as 8708.99.8115. *See* United States International Trade Commission ("USITC") publication entitled, "Modifications to the Harmonized Tariff Schedule of the United States Under Section 1206 of the Omnibus Trade and Competitiveness Act of 1988," USITC Publication 3898 (December 2006) found at <a href="http://www.usitc.gov">http://www.usitc.gov</a>.

<sup>&</sup>lt;sup>5</sup> Effective January 1, 2007, the HTSUS subheading 8708.99.8080 is renumbered as 8708.99.8180; see id.

<sup>&</sup>lt;sup>6</sup> See 19 CFR 351.107(d).

<sup>&</sup>lt;sup>7</sup> See Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 74 FR 3987, 3988 (January 22, 2009). We note that this determination is currently in litigation at the Court of International Trade; however, a final decision from the court has not been issued.

Furthermore, in the *Preliminary Results*, we stated that, because all review requests for Tianshui Hailin were timely withdrawn, we intended to rescind this review with respect to Tianshui Hailin in the final results if the PRC-wide entity is not reviewed because Tianshui Hailin did not have a separate rate prior to the review. However, because Haining Automann and Zhejiang Zhaofeng remain part of the PRC-wide entity, the PRC-wide entity is under review. Therefore, we have not rescinded the review with respect to Tianshui Hailin, and it will remain under review as part of the PRC-wide entity.

## **Changes Since the Preliminary Results**

Based on an analysis of the comments received, the Department has made certain changes to the margin calculation for CPZ/SKF. For the final results, the Department has made the following changes:

- We valued factory overhead, selling, general, and administrative expenses, and profit
  using the financial statements of NSK Bearing Manufacturing (Thailand) Co., Ltd. and
  JTEKT (Thailand) Co., Ltd.
- We valued CPZ/SKF's roller steel using Harmonized Tariff Schedule ("HTS") category 7228.50.10 ("Other bars and rods, not further worked than cold-forming or cold-finished: of circular cross-section"), rather than HTS category 7227.90 ("Bars and rods of alloy steel (other than stainless), hot-rolled, in irregularly wound coils, NESOI").
- We corrected the margin calculation to apply the weight-averaged percentages for CPZ/SKF's market economy and non-market economy purchases of steel bar to the cost of transporting the steel bar.
- The PRC-wide entity is under review.
- We are not rescinding this review, in part, for Tianshui Hailin.

#### Separate Rates

In the *Preliminary Results*, we found that ZXY, a separate-rate respondent, demonstrated its eligibility for a separate rate.<sup>8</sup> For the final results, we continue to find that the evidence placed on the record of this review by ZXY demonstrates an absence of both *de jure* and *de facto* government control with respect to its exports of the merchandise under review, and, thus continue to find that it is eligible for a separate rate.<sup>9</sup> As stated in the *Preliminary Results*, CPZ/SKF reported that it is wholly foreign-owned, and, therefore, consistent with the Department's practice, a further separate rate analysis was not necessary to determine whether CPZ/SKF's export activities were independent from government control, and we preliminarily granted a separate rate to CPZ/SKF.<sup>10</sup> For the final results, we continue to find that CPZ/SKF is eligible for a separate rate.

#### Margin for the Separate-Rate Companies

As discussed above, the Department continues to find that ZXY has demonstrated its eligibility for a separate rate. For the exporters subject to a review that are determined to be eligible for a separate rate, but are not selected as individually examined respondents, the Department generally weight-averages the rates calculated for the individually examined respondents, excluding any rates that are zero, *de minimis*, or based entirely on facts available.<sup>11</sup> Consistent with the Department's practice, as the separate rate, we have established a weighted-

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<sup>&</sup>lt;sup>8</sup> See Preliminary Results, 77 FR at 40581-82.

See id.

<sup>&</sup>lt;sup>10</sup> See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Creatine Monohydrate from the People's Republic of China, 64 FR 71104, 71104-05 (December 20, 1999) (where the respondent was wholly foreign-owned and, thus, qualified for a separate rate).

<sup>&</sup>lt;sup>11</sup> See, e.g., Wooden Bedroom Furniture From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Preliminary Results of New Shipper Review and Partial Rescission of Administrative Review, 73 FR 8273, 8279 (February 13, 2008) (unchanged in Wooden Bedroom Furniture from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review, 73 FR 49162 (August 20, 2008)).

average dumping margin for ZXY based on the rate calculated for the individually examined respondent, CPZ/SKF.

## Final Results of Review

We determine that the following weighted-average dumping margins exist for the period June 1, 2010, through May 31, 2011:

TRBs from the PRC	
Exporter	Weighted-Average Dumping Margin (percent)
Changshan Peer Bearing Co., Ltd.	15.28
Xiang Yang Automobile Bearing Co., Ltd.	15.28
PRC-wide entity*	92.84

<sup>\*</sup> The PRC-wide entity includes Haining Automann, Zhejiang Zhaofeng, and Tianshui Hailin.

#### Assessment Rates

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended ("the Act") and 19 CFR 351.212(b), the Department will determine, and U.S. Customs and Border Protection ("CBP") shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

For any individually examined respondents whose weighted-average dumping margin is above de minimis, we calculated importer-specific assessment rates for merchandise subject to this review. <sup>12</sup> For Changshan Peer Bearing Co., Ltd., we calculated an *ad valorem* rate for each importer by dividing the total amount of dumping calculated for the importer's examined sales by the total entered values associated with those sales. For duty-assessment rates calculated on

<sup>&</sup>lt;sup>12</sup> In these final results, the Department applied the assessment rate calculation method adopted in *Antidumping* Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101 (February 14, 2012) ("Final Modification for Reviews").

this basis, we will direct CBP to assess the resulting ad valorem rate against the entered customs values for the subject merchandise. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review where an importer-specific assessment rate is above de minimis (i.e., 0.50 percent). Where either the respondent's weighted-average dumping margin is zero or de minimis. 13 or an importer-specific assessment rate is zero or de minimis. 14 we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

We will instruct CBP to liquidate entries of subject merchandise exported by the PRCwide entity at the ad valorem rate of 92.84 percent of entered value.

# Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for CPZ/SKF and ZXY, the cash deposit rate will be their respective rates established in the final results of this review, except if the rate is zero or de minimis, then no cash deposit will be required; (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the PRC-wide entity of 92.84 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

See Final Modification for Reviews.
 See 19 CFR 351.106(c)(2).

# Notification to Importers

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of the antidumping duties occurred and the subsequent assessment of double antidumping duties.

## Notification to Interested Parties

This notice also serves as a reminder to parties subject to administrative protective order ("APO") of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

## **Disclosure**

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

We are issuing and publishing the final results and notice in accordance with sections
751(a)(1) and 777(i)(1) of the Act.
Paul Piquado
Assistant Secretary
for Import Administration
_January 8, 2013
Date

# Appendix

Comment 1: Targeted Dumping Comment 2: Financial Ratios

Comment 3: Surrogate Value for Labor

Comment 4: Surrogate Value and Labor Hours for Roller Steel

Comment 5: Valuation of Steel for CPZ/PBCD-Produced Merchandise

Comment 6: Steel Bar Transportation

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